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31 July 1978

MEMORANDUM FOR: Deputy Director of Security

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FROM:

[redacted]
Chief of Operations, PTOS

SUBJECT: National Programs Contract Review Board

1. The first get-together of the Review Board was held on 31 July 1978 (the DDCI had requested that it be assembled by the end of July).

2. As you can see from the attached draft, there are three voting members and three advisors. Present at this meeting were Zeke Zellmer, Hap Hazzard, Jim McDonald, Bob [redacted] and myself. [redacted] was the recording sec.

3. Zeke Zellmer led off with a summary of how he and the DDS&T see the purpose of the Board. It will not be a mirror image of the Agency program Contract Review Board but will, rather, concern itself with major [redacted] dollar) contract actions leading to major procurements. These contracts will be given a detailed review to assure Congress that we are acting appropriately and to prevent any major acquisition actions which could be subject to challenge by one of the large contractors.

4. Jim McDonald accepted this but expressed concern that we may have a responsibility to set a dollar threshold, in which case we could also be involved in large studies, advanced technology programs, etc. He was also concerned that we might not look into sole source procurements and large overruns if we adhered to the draft language.

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5. Hazzard contented himself with a brief statement on the dangers of tampering with time-honored, quick reacting, cost-efficient DDS&T modus operandi.

6. The attached working draft will go to the DDCI to get his reaction as to whether or not this is the direction he envisages for the Review Board.

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WORKING DRAFTNational Programs Contract Review Board

I. General

There is hereby established within DDS&T a National Programs Contract Review Board which is separate from the existing mechanisms used for review of CIA funded procurement actions as set forth in Headquarters Regulation No. [redacted]

[redacted] The Board advises and assists the Contracting Officer for National Programs in exercising the procurement authority delegated to him by the Director of Central Intelligence to support the DDS&T in carrying out his responsibilities as Program Manager for National Programs assigned CIA. The Board also reports to the DDS&T on contract and procurement policies and procedures.

II. Organization

A. The Board shall be chaired by the Associate Deputy Director for Science and Technology and have the following membership: The Director of Logistics or in his absence a representative appointed by him; a Senior Program Manager appointed by the DDS&T; a Legal Advisor appointed by the General Counsel; the Comptroller, DDS&T, as a personal advisor representing the Director of Finance; and a Security Advisor appointed by the Director of Security.

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B. The Chief, Procurement Management Staff, DDS&T will act as an advisor and as the Executive Secretary. The Executive Officer, DDS&T will act as Executive Secretary in the absence of the Chief, Procurement Management Staff.

C. A representative of Detachment A of the Defense Contract Audit Agency will act as an advisor to the Board as deemed necessary by the Chairman.

D. The Board and the Executive Secretary will rely on the DDS&T staff, the Office of Development and Engineering, and other components within the Directorate for secretarial and clerical assistance, and for reports, studies, and other information in order that the procurement process and the Board's action may proceed in an orderly and timely fashion.

E. Representatives from other Agency components, as well as other Government officials, may be invited to advise the Board as appropriate.

III. Responsibilities

A. The Board will review all contract actions leading to major system procurements. Specifically, the Board will review selection of contractors and associated contracts for

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the system definition phase of major programs. The Board will also review the contracts for major system procurements on those programs approved for full scale acquisition. The Board will review the source selection for adequacy and conformity with established procedures and regulations and review the contractor selection recommendation. The Board will concern itself both with major new systems acquisition and "significant" * upgrades or "major" ** supplemental acquisitions of existing systems. The Board will not be required to review contracts for studies, advanced technology programs, or O&M contracts for ongoing operational programs.

B. The Board will promptly report its findings on each contract action reviewed by the Board to the National Programs Contracting Officer and to the DDS&T. The Board as a whole or at the Board request of any member of the Board will provide to the DDS&T its recommendations on contract and procurement policies practices and procedures.

C. The Board will not assume any operational, technological, or contracting responsibility.

* what do these words mean?

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D. Review Board deliberations will be conducted within the current National Programs security framework.

IV. Exceptions

Review by the Board of proposed individual contracts or classes of contracts may be waived by the DDS&T or his designee.

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This is lifted from
the Agency Contract
Review Board regulation.
LESLIE C. DIRKS
Deputy Director
for
Science and Technology

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